Production Cost of Crude and Refinery Products

639. SHRI PARMESHWAR KUMAR AGARWALLA: Will the PRIME MINISTER be pleased to state:

(a) what have been the costs of production of different companies for crude and of different refinery products, during the last three years;

(b) whether it is a fact that the cost of production of domestic crude and refinery products is increasing;

(c) if so, what measures have been taken to reduce the costs of production of crude and refinery products during the same period and the achievements thereof; and

(d) what is the incentives policy for oil companies and the refineries to reduce their costs of production under cost plus formula or otherwise?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) to (d) The weighted average cost of production of crude oil including return on capital employed of ONGC & OIL for the period 1.4.93 to 1.4.96 was provisionally fixed at Rs. 1741/MT. The cost of production of petroleum products would vary from refinery to refinery depending on the level of crude thruput, pattern of production, delivered cost of crude oil, the cost of processing/refining and the return on capital employed etc. Continuous efforts are made by the oil companies for ensuring cost control and economy in the expenditure by fixation of standard/norms and monitoring the actual performance vis-a-vis norms for corrective action. As per the existing pricing mechanism, there is an inbuilt system of providing incentives/ disincentives for the oil companies to reduce their cost of production and only the normative cost of the refineries are reimbursed.

Production, Consumption and Import of Crude Oil

640. SHRIMATI RENUKA CHOWDHURY: Will the PRIME MINISTER be pleased to state:

(a) the production of crude oil in the country during 1995-96 and during the nine months of April-December, 1996;

(b) the estimated consumption of oil during 1995-96 and 1996-97;

(c) the cost of import of oil during this period;

(d) the oil production target for 1996-97 and the actual production likely to be achieved; and

(e) the steps proposed to be taken to accelerate oil production in the country?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) to (c) The production, consumption and imports of crude oil during 1995-96 and from April to December, 1996 was as under:—

Production, Consumption & Imports of Crude Oil
(Qty.: Million Tonnes)

		1995-96	1996-97* April-December
1.	Production of Oil	35.145	24.71
2.	Consumption of Oil	58.741	46.851
3.	Value of imports of crude oil (Rs. crores)	11517	13940

*Provisional

(d) As against the target of 36.312 MMT the crude oil production during 1996-97 is estimated to be around 33 MMT.

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(e) Steps taken to accelerate the production of oil in the country are—

- Implementation of new projects/ schemes and additional development of existing fields.
- Implementation of EOR Schemes and extending some of EOR's Schemes from pilot scale to full scale field application.
- Implementation of specialised technologies such as ERD, side track, horizontal and drain hole drilling.
- Obtaining services of international experts wherever considered necessary.
- 3-D seismic survey of the oil fields.
- Rectificatory measures such as aggressive workovers, use of specialised technologies like long/short drift side track, drain hole have been planned for revival of sick wells which still have potential.
- Encouraging the participation of private/joint venture in the oil sector.
- Enhancing exploration of hydrocarbons and increasing reserves through seismic surveys, deep water exploration, acquisition of acreages/reserves abroad and exploration in frontier areas.

ced of Oil Berth, Port and Wharf Facilities at Narsapur

641. SHRI V. HANUMANTHA AO: Will the PRIME MINISTER be eased to state:

(a) whether ONGC has conducted any udy of the need for an oil berth at irsapur in West Godavari district in ndhra Pradesh;

(b) whether it is a fact that some irbour and wharf facilities at Narsapur uld be useful for ONGC;

(c) whether propoer facilities and port infrastructure would also be useful for the oil extraction and exploitation work; and

(d) if so, the details of ONGC's future requirements for port and wharf facilities at Narsapur?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) No, Sir.

(b) No, Sir.

(c) No, Sir.

(d) Does not arise in view of reply to parts (b) and (c) above.

Petrol Pumps and LPG Agencies under Reserve Quota in Uttar Pradesh

642. SHRI RAJ NATH SINGH: Will the PRIME MINISTER be pleased to refer to answer to Unstarred Question 109 given in the Rajya Sabha on the 21st November, 1996 and state:

(a) the names and area-wise details of persons who have been allotted petrol pumps/LPG agencies in Uttar Pradesh by the Central Government, category-wise;

(b) what is the number of applications pending for allotment of petrol pumps/ gas agencies and by when all the applicants are likely to be allotted; and

(c) if the answer to part (b) above be in the negative, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) Information is given in the enclosed statement *(see below)*.

(b) and (c) No separate record is maintained by Government for such applications. Moreover, no discretionary allotment of dealership/distributorship of petroleum products is being made by the Government at present.